

S-E-C-R-E-T

13 April 1962

MEMORANDUM FOR: Chiefs of Staffs, Offices and Operating Divisions

SUBJECT : Long Range Budget Projections

1. Last year the Bureau of the Budget made an effort to prepare the Government's 1963 Budget within a framework of a longer range budget projection. The President has now approved a plan for the preparation of the 1964 Budget which marks a further step in this direction.

2. In this regard, the Agency has been requested to provide no later than May 15 a brief statement of the major goals and objectives proposed for the programs of the Agency and major changes and developments as they can now be foreseen in those programs for Fiscal Years 1963 through 1967. The principal emphasis in this request is on program goals and changes that we expect will have significant impact on the Agency's Budget.

3. In order to comply with this directive, the Budget Division will require the following prior to 7 May 1962:

- a. Estimates and projections for Fiscal Years 1963 through 1967.
- b. A brief statement explaining the basis for change between each of the years with particular emphasis on identifying trends and major long-term issues with a geographic focus where applicable.

4. The estimate should be submitted to conform with the following general assumptions:

- a. That no changes in salary scale will occur during the period of the estimates.
- b. That the current price levels will continue and the estimates will be projected on the basis of current price levels, i.e., one dollar will accomplish the same work in Fiscal Year 1967 as in Fiscal Year 1963.
- c. That there will be no changes in major program assignments to the Agency and that the Agency will be required to carry out the same governmental functions now assigned to it.

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5. As regards paragraph 3.a. above, the estimates should be submitted on the basis of overall budgetary programs and follow the order as prescribed in the attached form. In the Intelligence Area, these programs will be overt collection of intelligence, intelligence production, and reference services. In the Plans Area and DD/R, the programs will include as applicable covert collection of intelligence, technical collection, political and psychological warfare, paramilitary operations, and overhead. In the Support Area, a single line item "Overhead" will be used.

The estimates included in the 1963 Operating Budget within the Congressional Budget limitation and the 1964 Preliminary Estimates now under development in the Offices should be used in this exercise for Fiscal Years 1963 and 1964. Projections through FY 1967 should derive from the FY 1964 Preliminary Estimate and should be rounded and explained in minimum units of \$50,000.

The Budget Division will distribute overhead to the Agency budgetary programs on the same basis as was used in the preparation of the Budget for Fiscal Year 1963 unless the Office recommends an adjustment in the distribution. Recommended adjustments in the distribution should be included in footnote 5/ to the tabulation.

6. Assigned budget analysts from this Division will be available to discuss this submission with you. Last year's submissions by Office are available for reference in the Budget Division.

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COMPTROLLER

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Long Range Estimates
Fiscal Years 1963 - 1967 Inclusive

<u>Budgetary Program</u>	<u>Fiscal Year</u> <u>1963</u>	<u>Fiscal Year</u> <u>1964 1/</u>	<u>Fiscal Year</u> <u>1965 2/</u>	<u>Fiscal Year</u> <u>1966 3/</u>	<u>Fiscal Year</u> <u>1967 4/</u>
INTELLIGENCE ACTIVITIES:					
Overt Collection					
Covert Collection					
Technical Collection					
Production					
Reference Services					
Total Intelligence Activities.					
COLD WAR ACTIVITIES:					
Political and Psychological					
Paramilitary					
Total Cold War Activities					
RESEARCH AND DEVELOPMENT					
OVERHEAD 5/					
Total Estimate					
Total Positions 6/					

- 1/ The major changes in FY 1964/FY 1963 are as follows: (Brief explanation of each major item.)
2/, 3/, and 4/ Same format as 1/ above, comparing each year with the preceding year. For ease in compilation, footnote column. If no change is involved so indicate.
5/ Explain any changes in the recommended distribution of overhead if desirable.
6/ Explain briefly, the changes in positions for each year.